



Economically Distressed Areas Program (EDAP)

The EDAP provides financial assistance in the form of grants and loans for water and wastewater projects in economically distressed areas where service is unavailable or inadequate to meet state standards. Program funding is dependent upon legislative appropriations, through which the TWDB received \$100 million for the 2022–2023 biennium. Through fiscal year 2022, the program has committed approximately \$838 million for projects across Texas.

Eligible Applicants

- Political subdivisions, including cities, counties, and water districts
- Nonprofit water supply corporations

Eligible Projects

- Planning, land acquisition, design, and construction for
 - first-time water and wastewater service,
 - water supply and/or treatment system improvements,
 - wastewater collection system and/or treatment works improvements.

Benefits and Terms

- Projects with documented public health nuisance determination from the TWDB or DSHS are eligible for grants up to 70%; projects without a public health nuisance determination are eligible for grants up to 50%
- Portion not paid for by a grant must be provided as an EDAP loan
- Loans with low-interest rates based on the TWDB's cost of funds
- Prioritization, detailed program requirements, and application process established in an Intended Use Plan
- Loans are limited to 20 years

Program Requirements

- Includes a prioritization process
- State-level environmental review
- Water supply projects must be consistent with the current state water plan
- Service area median household income can be no greater than 75% of statewide median household income
- Clear documentation of system inadequacies
- Residential subdivision served by the project must have been established prior to June 1, 2005
- County and/or city has adopted and is enforcing Model Subdivision Rules
- Application and maintenance of authorized agent designation for regulating onsite waste disposal facilities
- Application or possession of Certificate of Convenience and Necessity (if required by Chapter 13 of the Water Code)
- Adoption of a water conservation and drought contingency plan (for entities receiving assistance greater than \$500,000)
- U.S. Iron and Steel requirements
- Review of legislative requirements regarding water loss threshold limits

For specific questions on the program, please contact

Financial_Assistance@twdb.texas.gov.

Detailed information on the program is also available at www.twdb.texas.gov/financial/programs/EDAP.